

PART 3: FIGURING THE PENALTY

Compute penalty only if paid quarterly return(s) were not filed. Do not compute penalty for any quarter in which a timely paid estimated return was filed or there is a credit available from prior quarterly returns. Treasury will review the estimates filed and, if necessary, bill you for the appropriate penalty.

	A	B	C	D
29 Enter the amount from line 16				
30 Penalty rate by quarter	15%	15%	15%	15%
31 Multiply line 29 by line 30				
32 Enter the portion of line 29, column D, that is carried forward from line 29A (see below*)				
33 Penalty correction percentage				10%
34 Multiply line 32, column D, by 10%				
35 Penalty. Subtract line 34 from line 31, if applicable				
36 Enter the amounts from line 31 or line 35, whichever applies				
37 Total penalty. Add line 36, columns A through D				37. _____
38 Total penalty and interest. Add lines 28 and 37. Enter here and on form C-8000, line 56 or C-8044, line 23				38. _____

*This adjustment is only necessary if a first quarter underpayment is not satisfied by payments made in the second, third or fourth quarters. To compute this line, total the amounts on line 8, columns B, C and D. If the total of these three amounts is greater than or equal to the amount on line 14, column A, then no adjustment is necessary. If line 14, column A is greater than the total of line 8, columns B, C and D, enter the difference on line 32 and compute the adjustment.

Annualization Worksheet

Complete this worksheet if your liability is not evenly distributed throughout the year.

	A First 3 Months	B First 6 Months	C First 9 Months	D Full 12 Months
1 Gross receipts				
2 Business income				
3 Compensation				
4 Additions				
5 Add lines 2 through 4				
6 Subtractions				
7 Tax base. Subtract line 6 from line 5				
8 Apportionment percentage (from C-8000H)				
9 Apportioned tax base. Multiply line 7 by line 8				
10 Recapture of capital acquisition deduction (from C-8000D)				
11 Business loss deduction				
12 Statutory deduction if available				
13 Adjusted tax base. Subtract lines 10, 11 and 12 from line 7 or 9, whichever applies				
14 Reductions to tax base from C-8000S				
15 Taxable amount. Subtract line 14 from line 13				
16 Tax rate (see instructions)				
17 Tax before credits. Multiply line 15 by line 16				
18 Tax after Investment Tax Credit				
19 Standard small business credit from C-8000C or C-8009				
20 Subtract line 19 from line 18				
21 Alternate tax from C-8000C, C-8044 or C-8009				
22 Unincorporated/S-corporation credit				
23 Other credits (from C-8000C or C-8000MC)				
24 Net tax liability. Subtract lines 22 and 23 from line 20 or 21, whichever applies				
25 Annualization ratios	4	2	1.3333	1
26 Annualized tax. Multiply line 24 by line 25				
27 Applicable percentage	21.25%	42.5%	63.75%	85%
28 Multiply line 26 by line 27				
29 Enter the combined amounts of line 30 from all preceding columns				
30. ESTIMATE REQUIREMENTS BY QUARTER Subtract line 29 from line 28. If less than zero, enter -0-. Enter here and on C-8020, line 6				

NOTE: Totals on line 30 must equal 85% of the current year tax liability on page 1, line 3.